



LBL Property Management Procedure

Precious Metals

Owner

Policy – Property Management – Property Manager

Procedure – Property Management – Precious Metals Control Officer (PMCO)

Process – Property Management – Precious Metals Control Officer (PMCO)

Overview of the Process

Eight designated Precious Metals are provided by the Department of Energy (DOE) for Laboratory employees to use in mission-goal research. The expectation of DOE is that metals will be acquired and used for the duration of approved experiments or projects. Custodians meet this expectation by providing justification for acquisition and/or retention and use. A mandatory annual inventory of holdings is conducted by the PMCO and an aggregate report of all stock held at the Laboratory is provided to DOE. The results of the annual inventory are augmented periodically through spot checks of holdings and reviews of quantities on hand. Custodians who retain metals with no planned future need are strongly encouraged to transfer them to other researchers with stated need or return their surplus to the DOE Business Center for Precious Metals Sales and Recovery (BCPMSR) for reutilization by the broader national laboratory community.

Regulations

- DOE O 580.1, Contractor Requirements Document 2. e. (1)(b) and 2. f.(2)(d)
- LBNL Personal Property Policy Manual, Section 18.1, Precious Metals

Definitions

DOE Business Center for Precious Metals Sales and Recovery (BCPMSR): central broker and business agent for precious metals distributed to National Laboratories and other DOE facilities.

Precious Metals: uncommon and highly valuable metals characterized by their superior resistance to corrosion and oxidation. The eight are gold, silver and the platinum group metals—platinum, palladium, iridium, osmium, rhodium, and ruthenium. They are subject to exceptional physical security, protection, control, and accountability.

Custodian: career-status researcher or technician who is allowed access to and is accountable for, precious metals.

Justification for use: project description submitted to PMCO annually that justifies the acquisition, retention and/or use of precious metals to accomplish DOE mission-driven work.

Precious Metals Control Officer (PMCO): Property Management staff appointed to ensure that DOE requirements for storage and utilization of precious metals are followed.

Roles

- Property Management develops the internal policy, procedures and forms necessary to implement the DOE requirements.
- Division assures their custodians utilize and control precious metals in accordance with Laboratory policy.
- Procurement places orders for precious metals and reports acquisitions to Accounting.
- Receiving Department coordinates secure receipt of precious metals.

Responsibilities - Division

Custodian/Requester:

- Acquires precious metals through the Designated Precious Metals Buyer.
- Adheres to DOE requirements for secure storage of Precious Metals.
- Maintains a continuous record of all acquisition, usage and transfer or disposal of each metal.
- Responds promptly to all calls for inventories and unannounced spot checks.



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- Contacts PMCO to verify holdings and arrange for disposition prior to terminating employment.

Division Property Representative (DPR):

- Assists with inventory activities upon request by Custodian and/or PMCO

Custodian's Supervisor:

- Ensures that terminating employees account for and turn in their precious metals during the checkout process.

Responsibilities – Procurement Department

Designated Precious Metals Buyer (DPMB)

- Provides "Best Source" information to precious metals requestors.
- Utilizes the DOE Precious Metals Pool as the first source of supply for acquiring precious metals.
- Confirms the career employee status of a requester before placing an order.
- Places order within a reasonable timeframe.
 - Notifies requester that order has been placed.
 - Provides copy of order to PMCO via email attachment.
- Ensures that the following information appears on the subcontract or other standard procurement form:
 - Precious Metal type, form and weight in grams
 - Requestor/custodian and shipping destination are identified in the procurement summary.
- Notifies Property Accounting when metal has been received by the custodian.

Responsibilities – Facilities Receiving Department

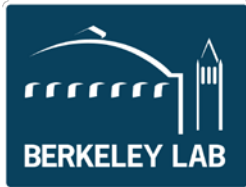
Receiving Department

- Notifies requestor (cc: DPMB and the PMCO) when shipment has arrived.
- Secures precious metals at receiving until signature pick up by requestor or authorized representative.

Responsibilities – Property Management

Precious Metals Control Officer (PMCO)

- Manages the Laboratory's Precious Metals program according to DOE requirements and guidelines.
 - Conducts the annual inventory in partnership with custodians.
 - Updates list as new custodians join or withdraw from the cohort.
 - Enters activity data for all custodians into the Master File for Laboratory Precious Metals.
- Receives and reviews requisitions for precious metals.
- Provides instructions and training to precious metals custodians and/or users as necessary to assure compliance with regulatory responsibilities.
- Provides quarterly email communications to custodians of precious metals on issues, points of interest, security reminders.
- Insures that physical inventories are performed as required by DOE O 580.1 and witnesses their completion.
- Performs periodic unannounced inspections of precious metals holdings and records.
- Reviews precious metals holdings quarterly to identify excess quantities. Assists custodians with reutilization of their Precious Metals.
- Reports annual forecast of anticipated withdrawals from and returns to, the BCPMSR.
- Returns excess metals to the BCPMSR.



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Procedures

Custodian

Acquiring and Utilizing Precious Metals

Precious Metals may be acquired through transfer from another researcher; by request from BCPMSR; a DOE-approved fabricator; or, with authorized exception, directly from a specialty vendor.

- Completes and forwards a Requisition Worksheet to the Laboratory DPMB.
- Confirms receipt of Precious Metals via email to the DPMB.
- Ensures that metals are secured against theft, loss or material degradation.
 - Stores metals in a locked safe or cabinet when not in actual use in an experiment.
- Utilizes Precious Metals solely for DOE project activities and does not commingle precious metals from other sources.
- Evaluates needs and communicates future project requirements.
- Maintains a continuous usage log that is available for review upon request by PMCO.
- Provides a current narrative describing the project(s) requiring precious metals.
- Participates in the annual physical inventory.
 - Assembles metal(s) for weighing to the nearest gram.
 - Provides lab notebook/usage log for review by PMCO.
 - Contents: type and form of metal, time, place and purpose of each use.
- Notifies the PMCO of intention to transfer or return metals.
- Returns metals to PMCO if leaving lab employment.

Precious Metals Control Officer

- Reviews purchase requisitions to
 - Capture increases in holdings.
 - Identify new custodians.
- Briefs new custodians and provides ad hoc assistance to all custodians requesting information and guidance.
- Provides inventory data spreadsheet to Custodians.
- Advises and assists custodians with transfers and returns of Precious Metals.
- Plans and oversees the annual inventory to ensure that Precious Metals storage and utilization practices adhere to DOE regulations.
 - Prepares a summary of Precious Metals activity and total holdings by gram and BCPMSR market value.
 - Reports, as required, to the DOE-BSO Property Officer.
- Enters data into the BCPMSR Contractor's Annual Projected Requirements and Returns online form.

Annual Inventory Procedure

- The Precious Metals inventory is conducted in accordance with the Laboratory General Inventory Plan.
- PMCO meets with custodians at the locations where their metals are stored and used.
- The following elements of the inventory must be satisfied:
 - Secure storage of metals.
 - Weighing of each accessible metal (weight of inaccessible metals may be estimated) by its form.
 - Reconciliation of the custodian's laboratory activity log and inventory summary with the actual weights.
 - Custodian self-verification of holdings valued at \$500 where there has been no consumption.
 - Post-inventory validation.
- PMCO prepares a final inventory report for submission to the DOE Berkeley Site Office (BSO).

**LBNL Property Management Procedure**
Precious Metals**Forms**

None

Reports

Title:	Annual Inventory Results
Information Displayed:	Individual accounting spreadsheets, summaries by Division, narrative report describing activities and anomalies
Purpose of the report:	Results of inventory
Recipient(s):	DOE-BSO, Site Security and CFO Management
Frequency:	Annual upon request by DOE

Title:	Contractor's Annual Projected Requirements and Returns
Information Displayed:	Anticipated requirements and needs for precious metals by type
Purpose of the report:	Resource planning
Recipient(s):	DOE (for internal distribution)
Frequency:	Annual upon request by DOE